

April 23, 2010

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Sent via electronic mail

Subject: Comments regarding Prop. 84 Draft IRWMP Guidelines and Planning and Implementation Project Solicitation Package.

Mr. Yun,

I am pleased to be submitting comments regarding Prop. 84 Draft IRWMP Guidelines and Planning and Implementation Project Solicitation Package on behalf of the Inyo-Mono Regional Water Management Group. The Inyo-Mono IRWM Planning effort began in earnest in February, 2008 as a truly community based planning effort. Since that time, the Inyo-Mono-Regional Water Management Group (RWMG) has made great strides towards bringing together a plethora of interested stakeholders from throughout our planning region with the goal of preparing an IRWM Plan that best serves the needs of our members while also addressing the requirements of the Dept. of Water Resources (DWR) IRWMP Program.

Approved as an official Planning Region via the Region Acceptance Process, the Inyo-Mono IRWM Planning Region comprises primarily Inyo and Mono Counties with very small portions of northeastern Kern County and the northern portions of San Bernardino Counties. The established and approved boundaries are based on watershed delineations. In all, the Inyo-Mono planning region includes approximately 11% of the state of California and over 50% of the Lahontan region. Demographically, the Inyo-Mono planning region is very rural having numerous small population centers spread throughout the planning region, the largest of which has a population of just over 7500. Moreover, the majority of communities in our planning region fall under the designation of being Disadvantaged Communities; the entire Inyo County is designated as a Disadvantaged Community (DAC). These communities have little means to address water quality and supply issues of paramount importance to their wellbeing.

In addition to providing necessary water to communities within our planning region, the Inyo-Mono planning region is the source of on average 40-60% of the total annual water consumed by the City of Los Angeles' four million residents. In short, the Inyo-Mono planning region is very rural and expansive, plays a critical role in the provision of water both for local and distant populations yet is challenged by fiscal, environmental and institutional capacity constraints necessary to address comprehensive water issues. We consider DWR's IRWMP Program a

strategic opportunity to address water related issues within the Inyo-Mono planning region. To better serve rural regions such as ours, and to enhance the goal of the DWR's IRWMP Program overall, we offer the following comments pertaining to the draft guidelines.

1. Prioritization of funding to support new regions and those not having previously received Planning and/or Implementation funding.

Recommendation 1a: Prioritize allocation of Prop. 84 IRWMP funding to new regions, particularly those having disproportionate DAC representation that have yet to receive Planning Grant and/or Implementation funding.

Justification

(1a). As a relatively new region trying very hard to complete an IRWM plan with very limited resources, we feel that it is very important to prioritize funding opportunities for those planning regions that have not previously received funding for Planning Grants and/or Implementation Grants. Indeed, the Inyo-Mono RWMG has received virtually no financial assistance since the funding freeze in December, 2008 which in turn has required us to move forward with primary support from one conservation NGO and very small contributions from a few small water districts. Simply put, it is an issue of equity. It is our belief that those regions that have already received Planning Grant funds and in turn have developed their plans have already benefited from state funding. Moreover, if, as expected, the second round of implementation funding will be based on competitive ranking of regional plans themselves, those that have not already received Planning Grant funding will be at a tremendous disadvantage relative to those that have (1) already completed a plan and received implementation funding based on a prior competitive ranking process (i.e., Prop 50 guidelines) and (2) those same regions securing a second round of Planning Grant funding to *improve* upon an existing plan. For regions such as Inyo-Mono where financial resources are already extremely limited, DWR should emphasize financial support enabling them to complete comprehensive and competitive IRWM Plans. Emphasizing support for new regions would be entirely consistent with Proposition 84's mandate to recognize and address the needs of DACs.

Recommendation 1b: Planning Grants should be awarded based on regional competition as opposed to state-wide competition criteria.

Justification

(1b). Planning Grant funding should not be based on a state-wide competition but instead, there should be funds dedicated to supporting the completion of plans within each of the SWRCB Regions. It is unrealistic to expect rural regions such as Inyo-Mono to have the same capacity, fiscal or otherwise, to develop similarly competitive Planning Grant proposals as larger, urban areas or those having large water-infrastructure industries/agencies that are able to financially support IRWM Plan development.

(2). Match Requirements for Planning Grants.

Recommendation 2: DWR should reduce Planning Grant match requirements from 50% to a maximum of 25% and include total waiver provisions to regions comprised disproportionately of DACs.

Justification

As noted above, rural regions and especially those comprised of many DACs inherently are at a disadvantage with respect to financial limitations. These regions arguably have both the greatest financial needs and critically important water-related issues that affect their community health and livelihood. For example, there are eleven communities in Inyo County alone that qualify as disadvantaged; two communities, Darwin and Tecopa, have median household income levels that are below the federal poverty level (\$16,600). The town of Tecopa is located in the southeastern portion of the Inyo-Mono planning region with a population of a few hundred citizens. The nearest urban center (small at that) to Tecopa is over 30 miles away. While Tecopa is small and rural, both water quality and supply are constant challenges to daily life: Arsenic contamination is widespread and the only available potable water is provided by one well requiring local citizens to travel to a single source and collect potable water using portable water containers. Tecopa is but one example of the realities of rural regions and the challenges they face. It is simply unrealistic to expect regions that have proportionately high numbers of DACs such as the Inyo-Mono to be able to provide the same level of match as other more urban and financially able regions. Requiring a 50% match for Planning Grants is untenable for many regions and should be reduced to 25% with provisions of a total waiver based on the level of DAC representation.

3. Economic Analysis Requirement(s).

Recommendation 3: DWR should facilitate trainings in conducting economic analyses and more importantly, provide/contract with experts that could provide direct services necessary to complete required economic analyses in rural and underserved planning regions.

Justification

The Draft Guidelines are requiring an economic analysis (either a cost-effectiveness or a benefit-cost analysis) be conducted for each of the submitted Implementation Grant Project Proposals. Conducting such analyses, while useful and justified in many ways, will often require contracting experts in the economic analysis fields and in doing so, increase the financial burden on planning regions. In particular, in rural regions where limited expertise may exist, the cost of contracting outside experts to conduct such analyses is that much more burdensome due to expenses associated with travel and lodging to and from urban-to-rural regions. At the very least, DWR should facilitate trainings in conducting economic analyses and more aptly, provide/contract with experts that could provide services necessary to complete required economic analyses in rural and less advantaged planning regions. DWR's guidance must be clear and specific regarding what is required in the economic analysis. We recognize that DWR has

certain mandates and constraints regarding the requirements of the guidelines; however, our preference would be for the economic analysis to be given less weight in the ranking of proposals.

4. Staggering of deadlines for Planning and Implementation Grant funding.

Recommendation 4: DWR should stagger the deadlines for submitting Planning and Implementation Grant Proposals. Additionally, DWR should extend the interval of time between when the various guidelines are finalized and submission of proposal deadlines: A period of 8-12 weeks should be provided for completion and submission of Planning Grant proposals and a period of 12-16 weeks should be provided for completion of Implementation Grant Proposals. A period of at least 6 weeks between deadlines for Planning and Implementation Grant submissions should be provided.

Justification

Within the Draft Guidelines, the timeline for application(s) preparation is relatively short (6-8 weeks). While it is appreciated that DWR is interested in providing funding for both Planning Grant and Implementation Grant submissions, the relatively short timeline to complete submission after guidelines are finalized presents significant challenges to rural and less advantaged planning regions. Having such a short turn around time is especially difficult for less advantaged regions hoping to submit both Planning and Implementation Grant proposals. To help facilitate the ability for certain regions to adequately complete their Planning Grant and/or Implementation Grant proposals, having more than 6-8 weeks is recommended. Additionally, for those regions pursuing both Planning and Implementation Grant proposals, it would be extremely beneficial to have the two submission deadlines staggered.

5. Recommend a two-phase approach to Implementation Grant Project Proposal.

Recommendation 5: A two-phased process for developing and submitting Implementation Grant Project Proposals should be implemented: Phase I should serve as a pre-proposal review and evaluation step and Phase II should serve as the final evaluation of merit for each final and complete proposal submission.

Justification

Requirements for Implementation Grant Project Proposals are quite substantial, requiring a great deal of information and effort on the part of the applicants. Given the limited amount of Implementation Grant funding, and to avoid the expenditure of very limited time and resources in rural and less advantaged planning regions, a two-phase Implementation Grant Project Proposal process is recommended. The proposed two-phased process could be analogous to other funding programs that first require a concept/pre-proposal enabling an initial review and recommendations to project applicants. Doing so would in turn enable the applicant to then determine whether they should proceed with developing full proposals. Phase II would then serve as the final evaluation of merit for each final and complete proposal submission.

One final recommendation: The map referenced on Page 36 of the Draft Guidelines document showing planning regions is antiquated and needs to be updated. The map itself can be found at: http://www.grantsloans.water.ca.gov/docs/prop84/p84_fa_lahontan_contact.pdf

On behalf of the Inyo-Mono Regional Water Management Group, we appreciate the opportunity provided to submit our comments at this time. Should you or others within the DWR have any questions please feel free to contact me at your convenience.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mark Drew', is centered below the word 'Sincerely,'.

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